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SOUTHWEST GAS CORPORATION

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Justin Lee Brown, Vice President/Regulation and Public Affairs

AZ CORP COMMISSION
DOCKET CONTROL

February 27, 2015

Docket Control Office
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007-2996

Subject: Department of Transportation (DOT) Safety Program Surcharge,
Docket No. G-01551A-07-0504, D.70665

Southwest Gas Corporation herewith submits for filing an original and thirteen (13) copies of the following tariff sheets applicable to its Arizona Gas Tariff No. 7:

205th Revised A.C.C. Sheet No. 11
208th Revised A.C.C. Sheet No. 12
69th Revised A.C.C. Sheet No. 13
28th Revised A.C.C. Sheet No. 14

The purpose of this filing is to revise the DOT surcharge applicable to the Transmission Integrity Management Program mandated by the Federal Pipeline Safety Improvement Act of 2002. Pursuant to A.C.C. Sheet No. 14, the DOT Safety Program Surcharge is updated annually effective the first billing cycle in March. The attached tariff sheets and supporting schedules reflect the calculation of the revised surcharge effective March 4, 2015.

Communications regarding this filing should be directed to:

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Respectfully submitted,

Justin Lee Brown

c Steven Olea, ACC
Robert Gray, ACC
David Tenney, RUCO

Arizona Corporation Commission

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SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
Arizona Gas Tariff No. 7
Arizona Division

Canceling 205th Revised A.C.C. Sheet No. 11
204th Revised A.C.C. Sheet No. 11

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}

Description	Delivery Charge	3/ Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
<u>G-5 – Single-Family Residential Gas Service</u>				
Basic Service Charge per Month	\$ 10.70			\$ 10.70
Commodity Charge per Therm:				
All Usage	\$.70314	\$.06588	\$.54962	\$ 1.31864
<u>G-6 – Multi-Family Residential Gas Service</u>				
Basic Service Charge per Month	\$ 9.70			\$ 9.70
Commodity Charge per Therm:				
All Usage	\$.70314	\$.06588	\$.54962	\$ 1.31864
<u>G-10– Single-Family Low Income Residential Gas Service</u>				
Basic Service Charge per Month	\$ 7.50			\$ 7.50
Commodity Charge per Therm:				
Summer (May–October):				
All Usage	\$.70314	\$.04128	\$.54962	\$ 1.29404
Winter (November–April):				
First 150 Therms	\$.31553	\$.04128	\$.54962	\$.90643
Over 150 Therms	.70314	\$.04128	\$.54962	1.29404
<u>G-11– Multi-Family Low Income Residential Gas Service</u>				
Basic Service Charge per Month	\$ 7.50			\$ 7.50
Commodity Charge per Therm:				
Summer (May–October):				
All Usage	\$.70314	\$.04128	\$.54962	\$ 1.29404
Winter (November–April):				
First 150 Therms	\$.31553	\$.04128	\$.54962	\$.90643
Over 150 Therms	.70314	\$.04128	\$.54962	1.29404
<u>G-15– Special Residential Gas Service for Air Conditioning</u>				
Basic Service Charge per Month	\$ 10.70			\$ 10.70
Commodity Charge per Therm:				
Summer (May–October):				
First 15 Therms	\$.70314	\$.07785	\$.54962	\$ 1.33061
Over 15 Therms	.13077	\$.07785	\$.54962	.75824
Winter (November–April):				
All Usage	\$.70314	\$.07785	\$.54962	\$ 1.33061

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Vice President

Effective March 4, 2015
Decision No. 70665

SOUTHWEST GAS CORPORATION

P.O. Box 98510

Las Vegas, Nevada 89193-8510

Arizona Gas Tariff No. 7

Arizona Division

Canceling 208th Revised A.C.C. Sheet No. 12
207th Revised A.C.C. Sheet No. 12

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

Description	Delivery Charge	3/ Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
<u>G-20—Master-Metered Mobile Home Park Gas Service</u>				
Basic Service Charge per Month	\$ 66.00			\$ 66.00
Commodity Charge per Therm:				
All Usage	\$.47189	\$.09214	\$.54962	\$ 1.11365
<u>G-25—General Gas Service</u>				
Basic Service Charge per Month:				
Small	\$ 27.50			\$ 27.50
Medium	43.50			43.50
Large-1	80.00			80.00
Large-2	470.00			470.00
Transportation Eligible	950.00			950.00
Commodity Charge per Therm:				
Small, All Usage	\$.83914	\$.05159	\$.54962	\$ 1.44035
Medium, All Usage	.45834	.05159	.54962	1.05955
Large-1, All Usage	.41263	.05159	.54962	1.01384
Large-2, All Usage	.28856	.05159	.54962	.88977
Transportation Eligible	.10923	.07785	.54962	.73670
Demand Charge per Month—				
Transportation Eligible:				
Demand Charge ^{4/}	\$.082459			\$.082459
<u>G-30—Optional Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 27.			
Commodity Charge per Therm:				
All Usage	As specified on A.C.C. Sheet No. 28.			
<u>G-40—Air Conditioning Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 32.			
Commodity Charge per Therm:				
All Usage	\$.13077	\$.07785	\$.54962	\$.75824
<u>G-45—Street Lighting Gas Service</u>				
Commodity Charge per Therm of Rated Capacity:				
All Usage	\$.69242	\$.07785	\$.54962	\$ 1.31989
<u>G-55—Gas Service for Compression ^{5/} on Customer's Premises</u>				
Basic Service Charge per Month:				
Small	\$ 27.50			\$ 27.50
Large	250.00			250.00
Residential	10.70			10.70
Commodity Charge per Therm:				
All Usage	\$.21470	\$.07785	\$.54962	\$.84217
<u>G-60—Electric Generation Gas Service</u>				
Basic Service Charge per Month	As specified on A.C.C. Sheet No. 40.			
Commodity Charge per Therm:				
All Usage	\$.15421	\$.07785	\$.54962	\$.78168
<u>G-75—Small Essential Agricultural User Gas Service</u>				
Basic Service Charge per Month	\$ 120.00			\$ 120.00
Commodity Charge per Therm:				
All Usage	\$.28037	\$.07785	\$.54962	\$.90784

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Vice President

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SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
Arizona Gas Tariff No. 7
Arizona Division

Canceling 69th Revised A.C.C. Sheet No. 13
68th Revised A.C.C. Sheet No. 13

STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

Description	Delivery Charge	^{3/} Rate Adjustment	Monthly Gas Cost	Currently Effective Tariff Rate
G-80 – Natural Gas Engine ^{6/} Water Pumping Gas Service				
Basic Service Charge per Month:				
Off-Peak Season (October–March)	\$.00			\$.00
Peak Season (April–September)	\$ 125.00			\$ 125.00
Commodity Charge per Therm:				
All Usage	\$.22065	\$.01785	\$.42403	\$.66253

1/ All charges are subject to adjustment for any applicable taxes or governmental impositions.

2/ Customers taking transportation service will pay the Basic Service Charge, the Commodity Charge per Therm less the Monthly Gas Cost, and Demand Charge, if applicable, of the Currently Effective Tariff Rate for each meter included in the transportation service agreement, plus an amount of \$.00391 per therm for distribution shrinkage as defined in Rule No. 1 of this Arizona Gas Tariff. The shrinkage charge shall be updated annually effective May 1. For customers converting from sales service, an additional amount equal to the currently effective Gas Cost Balancing Account Adjustment will be assessed for a period of 12 months.

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STATEMENT OF RATES
EFFECTIVE SALES RATES APPLICABLE TO ARIZONA SCHEDULES ^{1/ 2/}
(Continued)

3/ The Rate Adjustment applicable to each tariff rate schedule includes the following components.

Description	G-5, G-6	G-10, G-11	G-15	G-20	Adjustment Date
Low Income Ratepayer Assistance	\$ 0.01429	n/a	n/a	\$ 0.01429	1st Billing Cycle in May
Demand Side Management	0.01000	\$ 0.00200	\$ 0.01000	0.01000	1st Billing Cycle in April
Gas Research Fund	0.00100	0.00100	0.00100	0.00100	1st Billing Cycle in May
Department of Transportation	0.00454	0.00454	0.00454	0.00454	1st Billing Cycle in March
Gas Cost Balancing Account	0.06000	0.06000	0.06000	0.06000	Per Commission Order
COYL Cost Recovery	0.00231	n/a	0.00231	0.00231	Per Commission Order
EEP	(0.02626)	(0.02626)	n/a	n/a	Per Commission Order
Total Rate Adjustment	<u>\$ 0.06588</u>	<u>\$ 0.04128</u>	<u>\$ 0.07785</u>	<u>\$ 0.09214</u>	

Description	G-25S, G-25M, G-25-L1, G-25-L2	G-25TE, G-40, G-45, G-55, G-60, G-75	G-80	G-30, SB-1, Special Contracts	Adjustment Date
Low Income Ratepayer Assistance	n/a	n/a	n/a	n/a	1st Billing Cycle in May
Demand Side Management	\$ 0.01000	\$ 0.01000	\$ 0.01000	n/a	1st Billing Cycle in April
Gas Research Fund	0.00100	0.00100	0.00100	n/a	1st Billing Cycle in May
Department of Transportation	0.00454	0.00454	0.00454	\$ 0.00454	1st Billing Cycle in March
Gas Cost Balancing Account	0.06000	0.06000	n/a	n/a	Per Commission Order
COYL Cost Recovery	0.00231	0.00231	0.00231	n/a	Per Commission Order
EEP	(0.02626)	n/a	n/a	n/a	Per Commission Order
Total Rate Adjustment	<u>\$ 0.05159</u>	<u>\$ 0.07785</u>	<u>\$ 0.01785</u>	<u>\$ 0.00454</u>	

- 4/ The total monthly demand charge is equal to the unit rate shown multiplied by the customer's billing determinant.
- 5/ The charges for Schedule No. G-55 are subject to adjustment for applicable state and federal taxes on fuel used in motor vehicles.
- 6/ The gas cost for this rate schedule shall be updated seasonally, April 1 and October 1 of each year.

**SOUTHWEST GAS CORPORATION
ARIZONA JURISDICTION
CALCULATION OF DEPARTMENT OF TRANSPORTATION (DOT)
SAFETY PROGRAM SURCHARGE**

Line No.	Description (a)	Volume (b)	Amount (c)	Line No.
1	2015 Projected DOT Safety Program Costs		\$ 1,850,000	1
	<u>Adjustments to calculate new DOT Surcharge</u>			
2	DOT Account Balance @ January 31, 2015		970,482	2
3	Estimated Surcharge Recoveries, February 2015 [1]		<u>92,199</u>	3
4	Total to be Recovered (Lines 1 through 3)		\$ 2,912,681	4
5	DOT Therms applicable to Surcharge [2]	642,087,187		5
6	DOT Surcharge Rate Per Therm (Line 4 / 5)		<u>\$ 0.00454</u>	6

[1] See Sheet 2 for estimated recoveries.

[2] See Sheet 3 for supporting volumes.

**SOUTHWEST GAS CORPORATION
ARIZONA JURISDICTION
ESTIMATED DOT SAFETY PROGRAM RECOVERIES**

Line No.	Description (a)	Projected Volumes [1] (b)	Surcharge Per Therm (c)	Estimated Recovery (d)	Line No.
1	February, 2015	<u>78,802,323</u>	\$ 0.00117	<u>\$ 92,199</u>	1
2	Total	<u><u>78,802,323</u></u>		<u><u>\$ 92,199</u></u>	2

[1] 2014 actual volumes are used for projected volumes

SOUTHWEST GAS CORPORATION
ARIZONA JURISDICTION
VOLUMES APPLICABLE TO DOT SAFETY PROGRAM SURCHARGE

Line No.	Therms	February-14	March-14	April-14	May-14	June-14	July-14	August-14	September-14	October-14	November-14	December-14	January-15	Total	Line No.
1		78,802,323	59,420,607	50,732,917	43,716,921	38,451,279	34,924,054	33,851,141	35,145,314	37,986,970	46,508,509	72,372,611	110,174,541	642,087,187	1

**SOUTHWEST GAS CORPORATION
ARIZONA JURISDICTION
MONTHLY DOT SAFETY PROGRAM ACCOUNT ACTIVITY**

Line No.	Description	Expenditures (b)	Recoveries (c)	Transfers/ Tax Payments (d)	Ending Balance (e)	Line No.
1	Ending Balance, per books, 1/31/2014				\$ 19,075	1
2	February-14	\$ 15,153	\$ (191,493)		\$ (157,265)	2
3	March-14	212,349	(101,917)		(46,833)	3
4	April-14	45,604	(59,423)		(60,652)	4
5	May-14	66,558	(51,208)		(45,302)	5
6	June-14	87,776	(44,994)		(2,520)	6
7	July-14	68,021	(40,851)		24,650	7
8	August-14	23,991	(39,399)		9,242	8
9	September-14	308,473	(41,051)		276,664	9
10	October-14	126,029	(44,444)		358,249	10
11	November-14	366,418	(54,467)		670,200	11
12	December-14	574,668	(84,640)		1,160,228	12
13	January-15	(60,964)	(128,782)		970,482	13
14	Annual Total	<u>\$ 1,834,076</u>	<u>\$ (882,669)</u>	<u>\$ -</u>	<u>\$ 970,482</u>	14